

## Introduction

This report provides a profile of Washington Low Income Housing Tax Credit (LIHTC) developments placed in service from 1995 to 2003. Information contained in this report is based on data submitted to Abt Associates Inc., under contract to HUD, by the Washington State Housing Finance Commission between 1999 and 2005. All tallies, averages, distributions and percentages reported below are based on the projects for which the relevant data were submitted. In this report, the first section discusses the physical and development characteristics of LIHTC properties by the year these properties were placed in service. The second section presents the location characteristics of LIHTC units. For comparison, this section also shows the location characteristics of all renter-occupied housing by the respective region and the United States.

## Physical and Development Characteristics of LIHTC Properties in Washington, 1995-2003

This section presents information on the physical and development characteristics of Washington LIHTC projects placed in service from 1995 to 2003. This information is arranged by the year placed in service.

### Physical Characteristics of LIHTC Properties

Exhibit 1 presents the physical characteristics of LIHTC properties placed in service from 1995 to 2003 in Washington. As shown, the state placed in service 365 projects totaling 27,288 units during the nine-year period, averaging around 41 projects and 3,032 units per year. Almost half of the projects (49 percent) have 21-50 units, and a quarter (25 percent) of projects have 100 or more units. The average number of bedrooms per unit is 1.8, and the average qualifying ratio (the proportion of LIHTC units to the total number of units) is 98 percent.

### Exhibit 1: Physical Characteristics of LIHTC Properties in Washington, 1995-2003

Characteristics	Year Placed in Service									1995-2003
	1995	1996	1997	1998	1999	2000	2001	2002	2003	
Number of Projects	26	36	43	41	53	40	39	46	41	365
Number of Units	1,537	3,120	3,522	2,849	4,034	2,611	2,963	3,813	2,839	27,288
Average Project Size (in Units)	59	87	82	69	76	65	76	83	69	75
Distribution of Projects:										
0-10 Units	0%	0%	0%	0%	2%	0%	0%	0%	0%	0%
11-20 Units	0%	3%	7%	5%	9%	8%	13%	7%	2%	6%
21-50 Units	54%	42%	44%	51%	53%	48%	41%	46%	63%	49%
51-99 Units	27%	17%	16%	32%	9%	20%	23%	22%	12%	19%
100+ Units	19%	39%	33%	12%	26%	25%	23%	26%	22%	25%
Average Qualifying Ratio	96%	97%	97%	98%	98%	97%	98%	97%	100%	98%
Average Number of Bedrooms	1	1.9	1.7	2.1	1.7	2	1.9	1.8	1.7	1.8

Notes: The distribution of projects by number of units may not sum to 100 percent because of rounding.

## Development Characteristics of LIHTC Units

Exhibit 2 presents the development characteristics of LIHTC units placed in service in Washington from 1995 to 2003. Overall, the majority of LIHTC units (59 percent) were new construction and the rest (41 percent) were rehab. Over the nine-year period, 59 percent received the 30 percent present value credit rate, 37 percent received the 70 percent credit, and 4 percent had both credit types. In addition, 28 percent of the LIHTC units had a nonprofit sponsor and 56 percent received tax-exempt bond financing. Finally, 3 percent of units had Section 515 loans.

### Exhibit 2: Development Characteristics of LIHTC Units in Washington, 1995-2003

Characteristics	Year Placed in Service									1995-2003
	1995	1996	1997	1998	1999	2000	2001	2002	2003	
Construction Type:										
New	59%	49%	70%	69%	60%	69%	50%	55%	54%	59%
Rehab	41%	51%	30%	31%	40%	31%	50%	45%	46%	41%
Both	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Credit Type:										
30 Percent	26%	30%	53%	62%	70%	67%	64%	76%	63%	59%
70 Percent	58%	70%	42%	32%	30%	33%	36%	22%	25%	37%
Both	16%	0%	5%	6%	0%	0%	0%	3%	12%	4%
Non-Profit Sponsorship	32%	15%	28%	31%	40%	34%	19%	23%	35%	28%
RHS Section 515	8%	4%	3%	1%	3%	0%	3%	3%	3%	3%
Tax-Exempt Bond Financing	0%	2%	27%	8%	70%	64%	64%	77%	59%	56%

Notes: Construction type totals and credit type totals may not sum to 100 percent because of rounding.

## Location Characteristics of LIHTC Units in Washington, 1995-2003

This section presents the location characteristics of Washington LIHTC units placed in service from 1995 to 2003. The section provides information on the distribution of LIHTC units across metropolitan and non-metropolitan areas, and within designated census tracts for Washington, the West and the United States. The section also provides information on the characteristics of neighborhoods that contain LIHTC units. Only geocoded projects are included in this analysis.

### Metropolitan Distribution of LIHTC Units

Exhibit 3 compares the distribution of LIHTC units placed in service from 1995 to 2003 with that of all rental units among central city, suburban and non-metro areas for Washington, the West, and the United States. Forty-five percent of Washington's LIHTC units placed in service during this period are located in suburban areas, compared to 43 percent of all rental units in the state. Forty-four percent of Washington's LIHTC units are located in central city areas, matching closely the percentage of all rental units. One-tenth of LIHTC units (10 percent) are located in non-metro areas, somewhat less than the

percentage of all state rental units located in such areas (15 percent). For context, Exhibit 3 presents this information for the West and the United States as well.

### Exhibit 3: Distribution of LIHTC and All Rental Units, 1995-2003

	Central city	Suburb	Non-Metro		DDA	QCT
Washington						
LIHTC units	44%	45%	10%		13%	17%
All Rental units	42%	43%	15%		17%	12%
West						
LIHTC units	49%	40%	11%		31%	22%
All Rental units	47%	42%	11%		38%	14%
United States						
LIHTC units	49%	38%	13%		19%	26%
All Rental units	47%	38%	15%		23%	15%

Notes: The 1999 definition of DDAs is used here for all rental units; for LIHTC units, DDA definitions are based on year placed in service. The QCT designation is based on 1990 Census tract definitions. All Rental units reflect the number of rental units in 2000. Geographic totals of units across central city, suburban and non-metro areas may not sum to 100 percent because of rounding.

Exhibit 3 also shows the percentage of LIHTC units placed in service from 1995 to 2003, and that of all rental units, in difficult development areas (DDAs) and qualified census tracts (QCTs) for Washington, the West and the United States. As shown, 13 percent of Washington LIHTC units are located in DDAs, compared with 17 percent of all Washington rental units. Finally, 17 percent of LIHTC units are located in QCTs, compared to 12 percent of all rental units statewide located in such areas. For context, Exhibit 3 presents this information for the West and the United States as well.

### Neighborhood Characteristics of LIHTC Units

Exhibit 4 compares the distribution of LIHTC units placed in service from 1995 to 2003 with that of all rental units among census tracts with various characteristics for Washington, the West and the United States. This exhibit shows the percentage of units that are located in census tracts in which:

- Over 30 percent of people have incomes below the federal poverty rate,
- Over 50 percent of people are racial or ethnic minorities (i.e., non-white or Hispanic),
- Over 20 percent of households are female-headed households with children, or
- Over 50 percent of occupied housing units are occupied by renters (rather than owners).

As shown, the proportions of Washington tax credit units in tracts with any of these characteristics are close to the proportions of all rental units in the state located in such tracts. Eleven percent of state LIHTC units are located in census tracts in which over 30 percent of the population have incomes below the poverty line, compared with 7 percent of all state rental units. Similarly, 11 percent of Washington LIHTC units are in census tracts with majority minority population, compared with 8 percent of all rental units statewide. However, more than half (55 percent) of LIHTC units in Washington are located in

majority renter-occupied tracts, compared with just 42 percent of all rental units statewide. Once again, the same information is provided for the region and the nation as a whole to provide context.

**Exhibit 4: Census Tract Characteristics of LIHTC and All Rental Units, 1995-2003**

	<b>Over 30% Persons Below Poverty Rate</b>	<b>Over 50% Minority Population</b>	<b>Over 20% Female-Headed Households</b>	<b>Over 50% Renter- Occupied</b>
Washington				
LIHTC units	11%	11%	0%	55%
All Rental units	7%	8%	1%	42%
West				
LIHTC units	16%	45%	5%	48%
All Rental units	11%	38%	3%	50%
United States				
LIHTC units	20%	42%	17%	45%
All Rental units	12%	32%	9%	44%

Note: Based on 2000 Census data and tract definitions.